✓ Preserve

App F IX 1

Previous References
Sml 66-31- 75781

1937
(Sml)

File No 73-37

Serial Nos 2, 6, 17, 57, 58, 120 & 130

Letter References
ML 56-60 = 17, 18

GENERAL AND REVENUE SECRETARIAT

Serial Nos 6 7

Part B for May 1935

SUBJECT

Proposals for the reduction of Octroi Duty on Sugar and the introduction of Licensing System on Tobacco trade in the Hassan Town Municipality

SL 1201 Sml L 9050-1 dated 2 5 38

The reduction of the rate of Octroi is sanctioned & the Hassan Town Mnl CC may be instructed to observe the correct procedure with regard to Licensing System of tobacco

WD 0295—GPB—22 500—15 8 37

19/5/38

Reduction of the levy of octroi duty 439
on Sugar & introducing the System of granting licenses to
tobacco shopkeepers

General and Revenue Secretariat | Ml File No 73 of 1937 | [App F III-2

Serial No	
2	Memo No C 148/37 38 dated 21/7/37 from the D C Hassan Dt forwarding letter No H C 2/37 38 dated 11th July 1937 received from the ~~D C~~ President Town Ml Cl Hassan, recommending sanction to the Proposa of the Hassan Town Ml Cl to reduce the levy of octroi duty ~~on Sugar~~ from annas 0 4-0/- to annas 0-2-0/- per maund of Sugar & also abolish the levy of octroi duty on Cigarettes ~~Beedi~~ and tobacco & introduce the licensing System in its stead
1)	L S G Secy's Orders on the P L D 1 ~~Proposals~~ Proposals for reduction of the Revenue will have to be carefully considered and not approved, unless there are strong reasons 2 Possible effect on revenue by the ~~substitution~~ Substitution of licensing fees for octroi on Beedies Etc must be ascertained (Sd) P H X 23/7/37
2)	Subtd with a draft to the D C Hassan Dt for appl @U for 28/7/37
3)	Sm 28/7/-
6	The D C Hassan Dt No L 1245 dated 3/8/37 calls for further information

Issue A1
@U
4/8/37

NOTE—Contn Sheet

Reduction of the levy of excise duty from 159/1945
Sugar & introd abolition of the levy of excise duty
on Cigarettes & Tobacco & introducing licensing
System in Hassan Distt

File No of 193 General and Revenue Secretariat

Serial No 17

Letter No C 148-37 dated 2nd oct 1937 from the D C Hassan Dt forwarding the information called for

3) Submitted for perusal with refce to this Office letter No C 1245 Rel 73-37 6 dated 3/8/1937, addressed to the D C Hassan Dt. ×C

4) The D C reports that (for reasons explained in his letter dated 2nd Oct 1937), the introduction of the System of licensing the shops, which deal in Tobacco, Cigarettes and Beedies is likely yield an annual income of about Rs 1420/- or about Rs 1000/- in excess of the present excise revenue on the above mentioned articles. It is also stated that the reduction of excise duty from Rs 0-4-0/ to 0 2-0/- P Rd on Sugar is likely to be fixed tentatively for a period of two years

5) It is for orders if the proposal of the Mysore may be approved

D M
11/10/37

61-62 37 to 6

Hassan Town a Dist Head quarter municipality. It has many Schemes of improvement in hand, the most important of them being the water supply & the Drainage Schemes. The finances of the Mcply are not adequate enough to enable them to meet even their share of the cost of the above

Serial No

Schemes.

7 The proposal in this case is to levy the licensee on Tobacco & abolish the levy of octroi, for reasons given by the Md bl the reason that the system has to be introduced as the smuggling could not be detected is not acceptable It is quite possible to detect leakage of revenue in this direction by proper supervision & control over the subordinate establishment If necessary the establishment maybe increased Further octroi - instead of being abolished - should be levied on all forms of Tobacco - dust stalk leaves etc

8 If necessary, the Md bl may also introduce the licensing system as is in force in the Kline of Hy municipalities, in addition to octroi, effecting the necessary bylaws similar to those in force in the two city Mpalities These proposals may be submitted out to the Nagpur Municipal Council

9 No reasons are given for the reduction of the octroi on sugar & how the income would be affected The price of sugar is low enough and it is

Vide pages 61 to 67 Municipalities Rules 39 to 43 same as in the City laws

Contn Sheet

WD 0284—GPB—30,000—13 3

1845

File No 73 of 1937-38 General and Revenue Secretariat

not desirable to reduce the rate of duty from 4 as to 2 as per md, in view of the present financial condition of the Mfs & the fact that the M L Bl have given no reasons for the proposed measure

Submit for orders

2/19/37

(sd) Hiray L S S)

(sd 13/2/37)

1° The Sporting Licensing Shops Scheme introduced in Lang levying duty on introduced mark must continue for 2 years as it is expected to yield more revenue

II The purpose to reduce duty on Gear may be waived, as it is not desirable to forgo any portion of present revenue

sd

21-2-37

2/3 IM-

II Member)

12 The Secy may please speak to me

sd

25/2/37

13 Formalities not gone up to the Superintendent & will be seen when the documents are

(Seen by the Secy to Govt)

sd

26/2/37

SECY LOCAL SELF GOVT DEPT
21 OCT 3

OFFICE OF THE SECOND MEMBER OF GOVT
23 OCT 1937
No-3097

The question has been examined again, as directed by the Secretary. The following statement gives information about the rates levy of duty on Tobacco etc Sugar in the several Zamorins in the Hastsan area and the realisation therefrom for 1936-37

	Item	Rates of duty	Income for 1936-37 Rs
1) Hastsan	Tobacco	4 as per md	366/-
	Cigarettes	4 as per 1000	105/-
	Sugar	4 as per md	1025/
2) Sakalesapura	Tobacco per md	1-0-0	3 24/4/
	Sugar per md	0 4-0	386/
3) Arasikere	Tobacco per md	0 8-0	192/14/
	Powdered Tobacco per bag	0-2-0	9/8/
	cigarettes per 1000	0 4-0	998/10/
	Beedies do	0 2-0	113 2/8/
	Sugar	nil	
4) Holenarasipura	cigarettes	500 - 0-06	113/6/
	Tobacco per md	0 8-0	61/4/
	Tobacco stalks & powder	0-2-0	61/4/
	Sugar per md	0-2-0	386/

P T O

The proposal of the Hastan Zamindar supported by the Dt Hastan - is to do away with the levy of excise on Tobacco & collect license fee instead

from 1/3/61 to 1967 In Bangalore Mysore etc. license fee is levied for the sale of tobacco & not as from Mysore Pals 1/3/61 to 43 in addition to the excise

The Hastan Zamindar may also be required to frame by laws similar to those in force in the two districts and levy license fee

The policy measures would also improve the excise revenue

1) detection of smuggling by proper supervision over the work of the collecting staff

2) Levy of excise duty on tobacco, powder dust as well as on other bills

It is not necessary to reduce the duty on cheroots as it is at present as the realizations for that article show an increase of Rs 100 (approx) during 1936-37 as against the previous year. Further the price of sugar has gone down considerably so the levy as devised is justified.

SECY LOCAL SELF GOVT 1 NOV 19 GOVT OF MYSORE

from 1/11/37 Levy (SS) 2/11/37

Reduction of the levy of octroi duty on sugar & introduction of the system of licensing tobacco sale - Hassan

Serial No

tobacco in Hassan Town is already low- 4 annas per maund, as against one rupee in Saklespur and 8 annas in Arsikere and Hole-Narasipur It cannot therefore be said that there is smuggling because of the high rate of octroi More efficient arrangements will have to be made to prevent smuggling The existing bye-laws may perhaps be amended to prevent storing of tobacco just outside municipal limits

OFFICE OF THE SECOND MEMBER OF COUNCIL
5 NOV 1937
NO 3363

This may also be strictly observed A

14 Even if the licensing system is to be introduced, it will be in addition to levy of octroi It cannot be in lieu thereof This is the system in force in Mysore and Bangalore Cities The Municipal Council will be consulted if they are agreeable to this

15 As to lowering octroi on sugar, the present rate is the same as in Saklespur, but double that in Hole-narispur But considering that the Hassan Municipal Council are undertaking new liabilities in the shape of improved water supply and drainage, I do not think they can afford to forego any part of their revenues The present rate may therefore continue

3113

11 member)

16) The Municipal Council may be asked to consider the above suggestions (except A) and communicate their views

NOTE—Contn Sheet

WD 0284—GPB—30 000—13 8 37

6/4/37

Reduction of the levy of octroi duty in Hassan town Mkt

1846 / L — 3488 / L

Ml File No 73 of 1937 — General and Revenue Secretariat

17) A draft letter to the D C Hassan Dh is put up for appl

DSR
24/11/37

Sno
D
26/11/-

The D C Hassan Dh

Hassan

No L 4815 Ml dated 27/11/1937 calls for the views of the Ml dl on ~~Upon letter ref~~ regarding the levy of octroi duty on certain articles

PING SECTION 4 NOV 15 GEN

Sno A
DSR
29/11/37

Letter No C 48/37 38 dated 21st Jan 1938 from the D C Hassan Dh, forwarding a further report called for

18) Subtd for perusal with refce to this Office letter No L 4815 Ml 73-37-57 dated 27th Nov 1937, addressed to the D C Hassan Dh

From a perusal of the D C's letter dated 21st Jan 1938 (P L D II) it will be seen that the Hassan town Ml dl is not in favour of introducing licensee on tobacco in addition to the existing levy of octroi duty on this article, as the double levy would operate as a great hardship on the consumers In this connection kind attention is invited to para 3) of the

Licensing fee on Tobacco in Hassan Town Mcty 9

General and Revenue Secretariat — MC File No 73 & 1845 / 3488 / 2 of 1937 — [App F III—2

Serial No

President's letter dated 14th Sept. 1937 (H.S.) addressed to the D C Hassan Dt, wherein he has stated that, in case the licensing system is introduced, the Municipality would realise a ± revenue of Rs 11,20 ie Rs 1000, in excess of the present average annual income Therefore, it is for orders if the present proposal of the M C to introduce license fee on Tobacco in lieu of octroi duty at the rates propo may be sanctioned as a tentative measure for a period of one or two years, and the financial results watched

License fee
I Shop class Rs 20
II Class Rs 10
III Class Rs 3

19) The existing rate of octroi duty on Sugar in the Hassan Town Mcty ie 4 as/- per cwt is quite in accordance with the rates fixed as per Schedule II (Section 61 cl II 4(V)) of the Town Mcties Act 1933 & it may not therefore be possible to reduce the same to 2 as/- per cwt -(Vide Govt. of this Office letter dated 27th May 1937 addressed to the D C Hassan

(x H x)

20) Submitted for Orders

D S R

21) In connection with the 26/1/38 levy of shop tax in the Municipal Towns, who have followed the rules in the Hassan Town Mcty, the D C

NOTE—Contn Sheet

WD 0284—GPB—30 000—13 8 37

3488

File No 73 of 193 7 — 38 General and Revenue Secretariat

Hassan has been requested to send copies of the rule & bylaws in force in the Hassan ~~District~~ As the proposal in this case involves an examination of the Octroi bylaws in force in the Hassan Municipality, this will be kept pending till the rule & bylaws called for are received

Sd/ 37/11-
Sd/ 15/2/38

Sd/
17/1/1938

From Mr. A.C. Hassan Sh
Address C 2199/37 389 a 3 38

Forwards a copy of the Hand book containing rules & bye laws in force in the Hassan Town Municipality —

A draft Government Order is submitted as per orders of the Second Member of Council The reduction of octroi on sugar may be sanctioned

In regard to the substitution of a license fee for the octroi now levied on tobacco at 8 as per maund it is submitted that license fee is generally levied in respect of the items brought under sections 48 (b), 78 and 108 of the Town Municipalities Act "The sale of tobacco which is a dutiable article included in Schedule II of the Act does not fall under the provisions of any of the above sections The levy of octroi on these articles is regulated by the bye-laws framed under Section 48(1) (k) of the Act, which lays down among others that bye-laws have to be framed, "requiring a license to be obtained for the sale of any article liable to octroi and prescribing the conditions on or subject to which such license may be granted refused, suspended or withdrawn", etc Tobacco comes under this category

2 The Bangalore and Mysore City Municipalities have framed such bye-laws and the sale of tobacco under the licensing system - either wholesale or retail - is regulated by the bye-laws framed accordingly The octroi duty continues to be levied, in addition on tobacco, when it is imported into the Municipal limits

Pages 39 to 43 of the Mysore City Bye laws

3 There is thus no provision in the

Act under which the licensing of the sale of tobacco can be permitted except under the bye-laws referred to above and if permitted in the Hassan Town Municipal Council it would be a novel procedure not obtaining any where in the State

4 In regard to the contention of the Municipal Council that the consumers would be hit hard if octroi is levied in addition to license fee ~~it may be submitted that~~ the Municipal Council may levy a nominal duty at 2 annas per maund and levy license fee as proposed, in addition ~~Further, the notice~~ published by the Hassan Town Municipal Council shows that they intend to bring the levy under shop tax - not levy it as a license fee, although called as such in the ~~circumstance~~ correspondence

Flag P Further the notice

to be included as item No 3 (Revised Flag P)

The Law Section may be further consulted in the matter

2
21/4/-

4837

REPLY

(to be written on this margin)

O I
SECOND MEMBER COUNCIL
11 APR 1938
N 22 32 4

OFFICE OF THE
SECOND MEMBER OF [redacted]

NOTE

Dated 4th April

a) The Municipal Council of Hassan have sent up proposals for the revision of octroi duty on sugar and tobacco The proposals involve a reduction of the rate on sugar and of the substitution of licensed tax on shops for the existing octroi duty The Municipal councillors were confident that the change proposed by the Muncipal council would prevent smuggling and would not result in any loss of revenue The proposals may be sanctioned

L S G Secretary,
with compliments

a = fw

11 4 38

2) Hap N Ref-to Encl — A note on the subject as desired - vide Rno 14/4 — vide para 14 Letter

Pkm) The note of the Superintendent is for perusal Even if the licensing system as regards tobacco sales as proposed by Hassan Municipal Council is introduced it will have to be in addition to the levy of octroi and cannot be in lieu thereof, as it is in force in Mysore and Bangalore Municipalities where it is working satisfactorily Should therefore the draft G O sanctioning

Reduction of octroi duty on sugar &
licensing the sale of tobacco in
Hassan Municipality

General and Revenue Secretariat | File No 4837/2 3488 of 193 | [App F III—2

Serial No

The proposal of the Hassan Municipal Council may
now be whether the State Legislature may be consulted
about the introduction of the licence system as regards
the tobacco trade in lieu of octroi duty payable on
it as proposed by the Hassan Town Municipal Council

Levy (vide)

2
27/4/-

22 4 38

(Member)

SECRETARIAT
22 APR 1938
No 7960

25 As regards octroi duty on sugar, the proposal may be sanctioned with the observation that the advisability of retaining the duty at the reduced rate should be examined after two years

24 With regard to the proposal to levy a license tax on tobacco, the correct procedure to be followed may be explained to the Municipal Council

25/4/38

25/4

Wright

27 Draft letter issued (for a letter) for approval
27/4/38 from If approved, the letter will be issued from the Secretariat

28 The draft so may come from and then the letter issued as above

27/4/-

NOTE—Contn Sheet

WD 02220—GTB—1 000—22 2 37

4837

File No mb 73 of 1937

General and Revenue Secretari

To the DC Hassan Dt
The Commissioner Mysore
No 9050 - 1 & 2-5-1938
Sanctions the reduction of rate on
Snuff from 4 annas to 2 annas per manud
& requests orders whether the
Draft of letter to DC, Hassan Dt
regarding Tobacco trade may issue —
Fair draft - submd - (Hayd)
mb
6/5/1938
pm

Hayd

To remind below one
2/6/37
Levy (J/S)

30 pm
9 5 38
31 2nd
7/9/37

To the DC Hassan Dt
No 9264 of 13-5-1938
Points one - the difficulties in introducing
the licensing System on tobacco trade &

3
14/5

No HC 2/3738
Encls

439 ML73-37-2

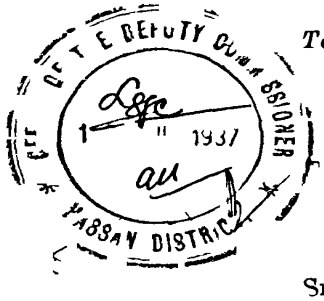
OFFICE OF THE PRESIDENT
TOWN MUNICIPAL COUNCIL 16
HASSAN

Dated 11th July 1937
12

From

The President,
Town Municipal Council Hassan

PH Co-37
(1,3,1)



To

The Secretary to Government
Development Department
Bangalore

Through

The Deputy Commissioner,
Hassan District, HASSAN

Sir,

I have the honor to state that the octroi Bye-laws framed under section 43 (x) of the old Municipal Regulation No III of 1906, and sanctioned in G O 6300-1 dated 17-2-1915 have been in force, and they are almost agreeable to be in force under the new Regulation No VIII of 1933

2) Under the Bye-laws in force, the octroi duty leviable on sugar and tobacco is as per maund respectively The levy of tax on cigarettes is at 4 as per 1000 in accordance with the sanction of Government obtained in their order No L 6107-3/31 66-31-3 dated 3-3-1932 As regards the levy of 4 as per maund of sugar there was a public complaint that it is very heavy and certain Councillors proposed its reduction This subject was referred to Bye-law Committee who recommended to the Council that the rate of tax on sugar might be reduced from 4 as to 2 as per maund The Municipal Council at their meeting held on 30-1-1937 approved the recommendation of the said Committee A copy of resolution No 1 (3)

439

ed 20-1-1937 is herein enclosed for ind rusal

7) s rec d e levy of t x on tobacco ra , nd oods made
reof t e Co nc llors proposed that n ne ent system of levying
t x be abolis d and the sys e licensing h n de be
n n u el ener Thes n ns ref re nis ed l o
o e Re-la Comm te which t e on 27-1-1 37, and r solve a
u ggli r ejected and l s no o ible to det t the
e s of smuggl ng, i is recommen t at t e recent ystem of
le g tmal e articles be abolished and n s stem of
l ensin may be i ro u ed, t at ther shall be a sche le of 3
lasses of these trades, th annual licensing fee being s 20/-
for t e 1s class s 10/- for the 2nd class, nd s 3/- for the 3rd class
a s ill a ply o raders in a an ordy also, and that for
e ur ose of this licensing eac article is consider as a se a-
r e co o ity, n se ar te li ense shall be obtaine for each
co ority m i roposal f he By la Co ittee s a rov
anicipal Coun l n t e n Resolu ion o 14 (2) dated
30-1-19 a co of which h rein nclos d for i d ersal

2 In ru nce of Re ulat s (2) o Mo n an ci al Re ulation
of 1 33, no i h i ra Bye-la s alling for ch es ions
er issue n ma i ned il e mo n on 20- -1 37, and no o jections
were r ived in ese cas s the draft Bye-la s and t e ayed x
ra i yre ol ed n ore he ici al Co ncil at their meet ing
nel o 20-0-1 37 and i Co ncil r olved nat n ce sary e ction
of Gover ent a t o a ne at an arly da for t amended
e-la s i r f h r osa t on i o ese and draft
Bye-la s a conse ie for ki d r f n ce

3 I re ue yo to i o ood o o kindly ob ain neces ary
an tion of Gov rnment to t e amended Bye-laws in r spect of sugar
d ob co, cigar ttes and he ide at an arly d t

I ve the o r o be,
Sir,
Your no t ob die ser ant,

C 148/37 58 21/1/37

Lgj
23/1

Pr d
on behalf of Cha man

Appendix F G—1]

SUBJECT

Section Ml

File No 73-37

Serial No 6

Diary No of letter replied to

No L 1245/h

To

The D C Hasan Dt Hasan

General and Revenue Secretariat

( )

the *193*

Sir,

Date of issue 3/8/37

With refee to your memo No C 148/37 38 dated 21/7/1937, forwarding letter No H C 2/37-38 dated 11th July 1937 received from the President, Town Ml Cl Hasan, recommending sanction to the Proposals of the Hasan Town Ml Cl, to reduce the levy of octroi duty on Sugar & to the abolition of the levy of octroi duty on Cigarettes, Beedies and tobacco & introduce the licensing * System in its stead, I am directed to request you to enquire and intimate the possible effect on revenue in the Mkts by the Substitution

Signed by

List of enclosures

Copied by

Examined by

of licensing fees for action on cigarettes, ~~tobacco etc~~ Beedies & tobacco.

The records are returned herewith

I have etc

2/5/11-

for Secy to Govr

from ~~D~~ L S G Dept

DE

1845

SECY LOCAL SELF GOVT
6 OCT 1937
GOVT OF MYSORE

No C 148-37

Office of the Deputy Commissioner,
Hassan District,
Dated Hassan, the 2nd October 1937

From

Abdul Aziz Khan, Esq , B A ,
Deputy Commissioner, Hassan District

HC 73-37-17

To

F H Krishna Rao, Esq , M A ,
Secretary to Government, L S G Department,
B a n g a l o r e

Sir,

With reference to your letter No L 1245/M1 73-37-C dated 3rd Aug 1937, calling for a report re the possible effect on revenue in the Hassan Town Municipality, by the substitution of Licensing fees for Octroi on cigarettes, beedies and tobacco, I have the honor to forward herewith in original, report No H C 2-37, dated 14th September 1937, with all its enclosures received from the President, Hassan Town Municipal Council on the subject and to state as follows -

The President states that the average Octroi income from Tobacco and Cigarettes is 326/- and 103/- per annum, respectively, that 4212 bales of tobacco and 86 boxes of cigarettes on the average have been sent out of the Municipal limits under export pass, that the merchants of the town have opened godowns in the villages beyond the Municipal limits and sell the articles to retail-dealers, that if Octroi at less than 0-8-0 per maund were levied on tobacco, they would have stocked the article within the Municipal limits, that as the Bye-Laws stand at present, it is not possible to expect an increase of revenue, and that if the system of licensing the shops which deal in tobacco, Cigarettes and beedies is introduced, an income of about Rs 1420/- per annum, or about Rs 1000/- in excess of the present Octroi income on these articles could be expected as explained in his letter

3 As re the proposed reduction of the rate of Octroi on sugar,

P t o

from 0-4-0 to 0-2-0 per maund, the President states that this measure would be tried tentatively for 2 years

4 In the circumstances reported, I request you to be so good as to obtain sanction of Government, to the Proposal, at an early date

I have the honor to be,
Sir,
Your most obedient servant,

Deputy Commissioner,
Hassan District

Appendix F G—1]

SUBJECT

Section One

File No 73 37

Serial No 57

No Le 875

To

The D C Hassan Dt
Hassan

—

Sir,

With reference to the Correspondence ending with your letter No C 1483 7 dated 2nd Oct 1937, regarding the ~~reduction~~ reduction of the levy of octroi duty on sugar and the introduction of the licence fees for octroi on cigarettes, Beedies and tobacco etc in the Hassan town mlty, I am directed to state as follows

It will be seen that the octroi duty on tobacco in Hassan town is already low viz 4 annas per mauna as against one Rupee in Sakleshpur and 8 as in Arsikere

Diary No of letter replied to

General and Revenue Secretariat

( )

the 193

Date of issue 27/9 P W D II

Signed by Hr HCSH

List of enclosures

Copied by

Examined by

WD 0521—GPB—30 000—12 3 37

and Hatharasipur and it cannot therefore be said that there is smuggling because of the high rate of octroi duty on this article and the M C C will have to make more efficient arrangements to prevent smuggling. Even if the licensing system is introduced, it should be in addition to the levy of octroi duty and not in lieu thereof. This system is in force in Mysore and Bangalore cities.

As to lowering ~~the levy of~~ octroi duty on Sugar, the present rate prevailing in the Mofussil is the same as in Sakleshpur, but double that in Hatharasipur. But considering that Hassan town M C C are undertaking new liabilities in the shape of improved water supply and Drainage, they cannot afford to forego any part of their revenues & it is desirable to ~~Cancel~~ continue the present rate.

I am to request you to place the above suggestions for the consideration of the M C C and communicate their views at the earliest.

I have etc.

for Secy to Govt
Local Affairs Dept

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No L 4815/mC 73-37-57 WR

Dated Bangalore 22 ~~25~~th November 1937

From

The *Secretary to the Government of His Highness the Maharaja of My ore*
L S G ~~Development~~ *Department*

To

The Deputy Commissioner,

Hassan District, HASSAN

Sir

With reference to the correspondence ending with your letter No C 143-37 dated 2nd October 1937, regarding the reduction of the levy of Octroi duty on sugar and the introduction of the licensing fees for Octroi on cigarettes, beedies and tobacco, etc , in the Hassan Town Municipality, I am directed to state as follows -

It will be seen that the Octroi duty on tobacco in Hassan Town is already lev, viz , 4 annas per maund as against one rupee in Saklespur and 8 annas in Arsikere and Hole-Narsipur and it cannot therefore be said that there is smuggling because of the high rate of Octroi duty on this article and the Municipal Council will have to make more efficient arrangements to prevent smuggling Even if the licensing system is introduced it should be in addition to the levy of Octroi duty and not in lieu thereof This system is in force in Mysore and Bangalore Cities

As to lowering Octroi duty on sugar, the present rate prevailing in the Municipality is the same as k in Saklespur, but double tha in Holenarsipur But considering that Hassan To n Municipal Council are undertaking new liabilities in the shape of improved water supply, and Drainage, they cannot afford to forego any part of their revenues and it is desirable to continue the present rate

I am to request you to place the above suggestions for the consideration of the Municipal Council and communicate their

(P T O)

their views

The records accompany

I have the honour to be,

Sir,

Your most obedient servant,

Nur Jafar Anwar

for Secretary to Government,
L S G Department
DSA

Aga/?

3488
L 26

No C 148/37-38

Office of the Deputy Commissioner,
Hassan District,
Dated Hassan, the 21st January 38

Rl 73-37- 5

From

Abdul Aziz Khan, Esq , B A ,
Deputy Commissioner, Hassan District

24 JAN 338

To

P H Krishna Rao, Esq , M A ,
Secretary to Government, Local Self Government Department,
Bangalore

Sir,

With reference to your letter No L 4815/Rl 73-37 dated the 27th November 1937, re the reduction of the rate of octroi on sugar and introduction of the system of licensing tobacco trade in the Hassan Town Municipality, I have the honour to forward herewith in original letter No H C 2-37 dated the 12th January 1938, with its enclosures, received from the President, Hassan Town Municipal Council, on the subject and to state as follows -

2 The President states that your letter under reply having been placed before the Municipal Council, they resolved at their meeting, held on 25th December 1937, that the proposals for the change had been made with a view to increase the income under these heads that it is expected that the income would be doubled and so Government might be requested to approve the proposal

3 The President has, in submitting a copy of the above resolution, stated that the rate of octroi on tobacco is 0-8-0 per maund, that efficient arrangements have been made to prevent smuggling, that the dealers in tobacco import the article, but export it to places beyond the Municipal limits, under an export pass, with a view to sell it in those places and that if the system of licensing is introduced, this practice would cease and the Municipal Council would realize greater income He also adds that the levy of licensing fees in addition to octroi would operate as a hardship on the consumers and so, the Council have proposed to introduce this system in lieu of octroi The President has further stated that if the

the rate of octroi on sugar is reduced from 0-4-0 to 0-2-0 per maund, the Municipal Council would derive larger income as the quantity now exported with a view to evade payment of octroi would be sold in the Town itself

4. In the circumstances reported above, I request you to be so good as to obtain sanction of Government to the resolution of the Municipal Council at a very early date

I have the honour to be,
Sir,
Your most obedient servant,

Deputy Commissioner,
Hassan District

pvg

G R S App F VI—G 2]

SUBJECT

Diary No of letter replied to

General and Revenue Secretariat

( )

the *193*

Proceedings of the Government of His Highness the Maharaja of Mysore

Section

File No. 73-37

Serial No. 120-

Date of issue 2-5- 1938

Signed by

Read—

Correspondence ending with letter No C 148/37-38 dy 21-1-38 from the Dy Commr, Hassan Dt, submitting proposals for the reduction of octroi duty on sugar and the introduction of licensing system on tobacco trade, in the Hassan town municipality

Order thereon—No 2 19058-1

Under the bye laws in force in the Hassan town municipality, the octroi duty leviable on sugar is 4 annas per maund, and 8 annas per maund of tobacco and 4 annas per 1000 cigarettes The—

May this be—

(i) printed ?

(ii) treated as a standing order ?

(iii) published in the Gazette En lish Part ?

(v) translated ?

(v) placed at th e di posal of the press ?

(vi) published in the Gazet e Kannada Part ?

municipal Council of Hassan town among other matters have resolved at their meetings held on 25-6-1937 and 25-12-37, that the octroi duty on Sugar may be reduced from 4 annas to two annas per maund as an experimental measure for a period of two years, and that licensing system be introduced in regard to tobacco trade. The Deputy Commr. Hassan Dt., has requested sanction of Govt to the above changes. Resolutions of the municipal Council as is seen from their resolution dt 25/12/37, that the change will result in increased revenue to the municipality. In these circumstances, Govt are pleased to sanction this resolution ~~of the Council~~ with regard to the reduction of the rate of octroi on Sugar, with the observation that the advisability of retaining the duty at the reduced rate should be examined after two years.

List of Enclosure

Copied by

Examined by

Separate orders will issue regarding the other proposal viz licensing system on tobacco trade.

WD 0623—GPB—22 500—22 3 37

To the D C Hassan for the comptr

Secy to Govt Agrl Dept

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

Read

Correspondence ending with letter No C 148/37-38 dated 21st January 1938 from the Deputy Commissioner, Hassan District, submitting proposals for the reduction of octroi duty on sugar and the introduction of licensing system on tobacco trade in the Hassan Town Municipality

Order No L 9052-1/ms73-37-126

Dated, Bangalore ~~30th April~~ 25 1938

Under the Bye laws in force in the Hassan Town Municipality the octroi duty leviable on sugar is 4 annas per maund and 8 annas per maund of tobacco and 4 annas per 1000 cigarettes The Municipal Council of Hassan Town have resolved among other matters at their meetings held on 25th June 1937 and 25th December 1937 that octroi duty on sugar may be reduced from 4 annas to two annas per maund as an experimental measure for a period of two years, and that licensing system be introduced in regard to tobacco trade The Deputy Commissioner, Hassan District, has requested sanction of Government to the above resolutions of the Municipal Council It is seen from their resolution dated 25th December 1937, that the change will result in increased revenue to the Municipality In these circumstances, Government are pleased to sanction their resolution with regard to the reduction of the rate of octroi on sugar, with the observation that the advisability of retaining the duty at the reduced rate should be examined after two years

Separate orders will issue regarding the other proposal Viz , licensing system on tobacco trade

Mir Sajan Mirza
For Secretary to Government,
~~L S~~ G Department

To

The Deputy Commissioner Hassan District, with records
" Comptroller to Government of Mysore

Als 3

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Bangalore Dated ~~10~~ 13th May —193-8

No L 9264
Dat 73-37 130

From

The *Secretary to the Government of His Highness the Maharaja of Mysore*
Local Self Government Department

To

The Deputy Commissioner,
Hassan District,
H a s s a n

Sir

In continuation of Government Order No L 9050-1/11 73-37-120 dated 2nd May 1938 sanctioning he reduction of octroi duty on sugar in the Hassan Town Municipality from 4 annas to 2 annas per maund, I am directed to state with regard to your proposal to introduce the - licensing system, for the tobacco trade, in the said Municipality, in lieu of the existing octroi duty on it, that the license fee is generally levied only in respect of the items brought under Sections 48 (b), 78 and 158 of the Town Municipalities Act, 1933 The sale of tobacco which is one of the duitable articles included in schedule II of the Act, does not fall under the provisions of any of the above Sections The levy of octroi on these articles is regulated by the bye-laws framed under section 48 (1) (k) of the Act, which lays down among others that bye-laws have to be framed, "requiring a license to ~~xxxx~~ be obtained for the sale of any article liable to octroi and prescribing the conditions on or subject to which such license may be granted, refused, suspended, or withdrawn", etc , Tobacco comes under this category.

The Bangalore and Mysore City Municipal Councils, have framed such bye-laws, and the sale of tobacco under the licensing system either wholesale or retail - is regulated by the bye-laws framed accordingly The octroi duty continues to be levied, in addition, on tobacco, when it is imported into the Municipal limits

There is thus no provision in the Act, under which the licensing of the sale of tobacco can be permitted, except under the bye-law referred to above, and if permitted in the Hassan Town Municipal Council, it would also be novel procedure not obtaining anywhere in the State

In regard to the contention of the Municipal Council that the consumers would be hit hard if octroi is levied in addition to license fee, the Municipal Council may if necessary levy a nominal duty at 2 annas per maund and levy license fee, as proposed, in addition Further, the notice published in this behalf by the Hassan Town Municipal Council shows that they intend to bring the levy under 'shop tax' to be included as item No 3 - not levy it as a license fee although called as such in the correspondence

In view of the foregoing facts, I am to add that the Hassan Town Municipal Council may be instructed to observe the correct procedure in this behalf and resubmit, the proposals for orders of Government

I have the honour to be,

Sir,

Your most obedient servant,

for Secretary to Government,
L S G Department

ACH 2

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Bangalore Dated ~~30th April~~ 13 5 38 ~~193-~~

No L 9264/mel 73-37-130

From

The *Secretary to the Government of His Highness the Maharaja of Mysore*
Local Self Government Department

To

The Deputy Commissioner
Hassan District,
H a s s a n

Sir

In continuation of Government Order No L 9050-1 / mel 73-37-120 dated 2 5 38 sanctioning the reduction of octroi duty on sugar in the Hassan Town Municipality from 4 annas to 2 annas per maund I am directed to state ~~as follows~~, with regard to your proposal to introduce the licensing system, for tobacco trade, in the said Municipality, in lieu of the existing octroi duty on it, that-

(1) The license fee is generally levied in respect of the items brought under sections 48(b) 78 and 158 of the Town Municipalities Act 1933 The sale of tobacco which is a dutiable article etc included in Schedule II of the Act, does not fall under the provisions of the above sections for the octroi no levied on tobacco at 8 annas per maund ~~The~~ license fee is generally levied in respect of the items brought under sections 48 (b), 78 and 158 of the Town Municipalities Act, 1933 The sale of tobacco which is one of the dutiable articles included in schedule II of the Act does not fall under the provisions of any of the above sections The levy of octroi on these articles is regulated by the bye-laws framed under section 48(1) (k) of the Act, which lays down among others that bye-laws have to be framed "requiring a license to be obtained for the sale of any article liable to octroi and prescribing the conditions on or subject to which such license may be granted refused suspended, or withdrawn", etc , Tobacco comes under this category

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I have the honor to be,

Sir,

Your most obedient servant,

2/6/57 IC

For Secretary to Government
L S G Department

Als

34 pages